



**National Electric Power Regulatory Authority**  
ISLAMIC REPUBLIC OF PAKISTAN  
NEPRA Head Office Attaturk Avenue (East),  
Sector G-5/1, Islamabad.  
Ph: 051-2013200, Fax: 051-2600021

**Consumer Affairs  
Department**

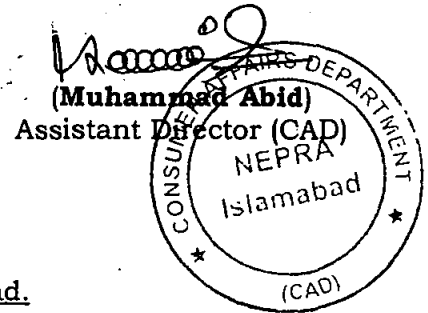
TCD.04/3012-2024  
July 04, 2024

Chief Executive Officer,  
Faisalabad Electric Supply Company (FESCO),  
Abdullah Pur, Canal Bank Road, Faisalabad.

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY CHAUDHARY MUHAMMAD TARIQ UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST FESCO REGARDING ISSUANCE OF ADDITIONAL DEMAND NOTICE**

Please find enclosed herewith the decision of the NEPRA Complaints Resolution Committee dated July 04, 2024 regarding the subject matter for necessary action and compliance within thirty (30) days, positively.

Encl: As above



Copy to:

1. Chief Engineer/Customer Services Director  
FESCO, Abdullah Pur, Canal Bank Road, Faisalabad.
2. Chief Engineer (Planning)  
FESCO, Abdullah Pur, Canal Bank Road, Faisalabad.
3. Director Commercial  
FESCO, Abdullah Pur, Canal Bank Road, Faisalabad.
4. Assistant Director,  
NEPRA Regional Office, 1st floor, Plaza No. C-6B,  
Opposite National Bank, College (Hockey Stadium) Road,  
Kohinoor City, Faisalabad
5. Mr. Chaudhary Muhammad Tariq s/o Abdul Majeed,  
Chak No. 2, Rakh Mankera, District Bhakkar.  
Cell # 0313-8910493



**BEFORE THE  
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY  
(NEPRA)**

**Complaint No. FESCO-FSD-28438-09-23**

**Chaudhary Muhammad Tariq**  
Chak No. 02, Rakh Mankera  
District Bhakkar.

..... Complainant

**VERSUS**

**Faisalabad Electric Supply Company (FESCO)**  
Abdullah Pur, Canal Bank Road, Faisalabad

..... Respondent

**Date of Hearing:** January 10, 2024  
March 12, 2024

**On behalf of  
Complainant:** Mr. Arslan Tarique

**Respondent:** 1) Mr. Aamir Mehboob, Chief Engineer (Planning), FESCO  
2) Mr. Abrar Ahmed Khan Project Director, FESCO  
3) Mr. Naveed-ur-Rehman Deputy Director, FESCO  
4) Mr. Imran Aslam XEN (Construction), FESCO

**SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY CHAUDHARY MUHAMMAD TARIQ UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST FESCO REGARDING ISSUANCE OF ADDITIONAL DEMAND NOTICE**

**DECISION**

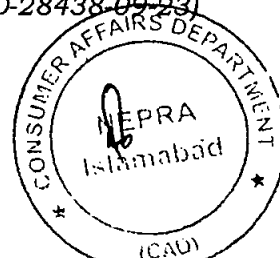
This decision shall dispose of the complaint filed by Chaudhary Muhammad Tariq (hereinafter referred to as the "Complainant") against Faisalabad Electric Supply Company (hereinafter referred to as the "Respondent" or "FESCO") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").

2. Brief facts of the case are that the Complainant in his complainant agitated the issue that he applied to FESCO for the external electrification of a housing society i.e. New City Mankera against which a demand notice amounting to Rs. 7,260,184/- was issued by FESCO during October, 2021 which was subsequently paid by the Complainant within the extended time period as allowed by FESCO on request of the Complainant. Later, another demand notice amounting to Rs. 6,546,559/- was issued to the Complainant during January, 2023 while the work excluding installation of poles and conductor stringing remained pending with FESCO. Being aggrieved with second/revised demand notice, the Complainant filed the instant complaint and requested NEPRA to direct FESCO to withdraw the revised demand notice immediately. The subject matter was taken up with FESCO whereby FESCO vide letter dated September 21, 2023 inter alia submitted that the revised demand notice amounting to Rs. 6,546,559/- was issued to the Complainant due to the escalation of material rates and the same is in accordance with the terms and conditions as agreed by the Complainant during the approval of application.

3. In order to analyze the matter, a hearing was held on January 10, 2024 at NEPRA Head Office, Islamabad wherein both the parties participated and advanced their respective arguments. During the hearing, FESCO officials submitted that electrification work of the

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*Decision: Chaudhary Muhammad Tariq vs FESCO (FESCO-FSD-28438-09-23)*



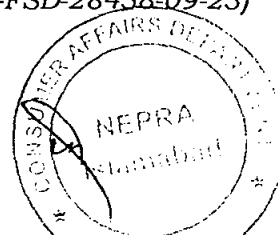
Complainant was halted due to the issue of right of way. After detailed deliberation, FESCO was directed to provide monthly price bulletin for the period i.e. December, 2021 to September, 2023 along with the copy of notices served to the Complainant for the provision of right of way. As a way to further examine the matter, another hearing was held on March 12, 2024 in attendance of both the parties and the matter was deliberated at length.

4. The case has been examined in detail in light of the record made so available by parties, arguments advanced during the hearings and applicable law. Following has been observed:

- (i) The Complainant approached FESCO for the external electrification of a housing scheme i.e. New Mankera City located in Tehsil Mankera, District Bhakkar having ultimate load of (500) kW. In response, FESCO approved the application vide office order dated October 12, 2021 and accordingly issued a demand notice amounting to Rs. 7,260,184/- on October 12, 2021 which was paid by the Complainant on December 11, 2021 as the grace period for depositing the demand notice was extended up to two months on request of the Complainant. Later, another demand notice amounting to Rs. 6,546,559/- dated January 23, 2023 was issued, however, the same was not paid by the Complainant while the work for external electrification remained pending for finalization despite the lapse of considerable time period.
- (ii) Perusal of the documentary evidence submitted by FESCO reveals that the partial work related to the installation of poles & conductor stringing was predominantly completed by FESCO during the year 2023. Simultaneously, the Complainant was also charged difference of capital cost of the remaining material i.e. transformers and its allied equipment etc. in the form of revised demand notice on the pretext of its non-availability with FESCO material stores before the revision of rates. The record further reflects that work order was duly issued on January 24, 2022 by FESCO while the partial material was allocated and drawn from the stores after lapse of months which essentially led to the only partial completion of work and issuance of revised demand notice during January, 2023 accruing excessive delay.
- (iii) According to clause 2.7.1 of Consumer Service Manual (CSM), in cases where there is shortage/non availability of material, DISCOs can ask the applicant to procure required material as per the specifications of DISCOs. In the instant case, if there was any shortage/non availability of the material, FESCO should have informed the Complainant for procurement of the same on its own, however, FESCO neither completed electrification nor informed the Complainant for the procurement of unavailable material.
- (iv) According to time frame for new connection given in NEPRA Performance Standards (Distribution) Rules, 2005 read with the CSM, DISCOs are required to provide electricity connection within time period of (46) days from the date of payment of demand notice in case of ultimate load between 70-500 kW. In the instant matter, the demand notice was paid in full on December 11, 2021 and the society having ultimate load of (500) kW should have been electrified by January 27, 2022, however, the same has not yet been finalized.
- (v) FESCO has based its understanding on the fact that revision of rates of material in a force majeure event is preconceived & essentially conveyed to the Complainant while approving the application thorough the excerpt mentioned as clause (i) of the demand notice which is as follows:

*'Any excess expenditure over and above the estimated amount experienced for any reason shall be payable by the sponsor before energization of the system.'*

However, there is no force in the argument of FESCO due to violation of the same with provisions of CSM.



- (vi) According to Clause-2.4.6 of Consumer Service Manual (CSM) read with subsequent amendments no escalation charges shall be applicable if enhancement in rates of material takes place after the lapse of time period given for installation of connection. The same is reflected in instant matter through the documentary evidence on record wherein the original demand notice issued to the Complainant was paid in full within allowed time period as per the SOPs. However, penalizing the Complainant through revised demand notice based on the escalated material cost after lapse of approximately (12) months of payment of first demand notice i.e. December 11, 2021 is unwarranted. Moreover, FESCO also violated the threshold period prescribed for the installation of connection. FESCO issued the revised/additional demand notice contrary to Clause 2.4.6 of CSM, therefore, the same is not liable to be paid by the Complainant.
- (vii) Even considering the contentions of FESCO regarding the non-provision of right of way by the Complainant causing delay in execution of remaining work, the record reflects that the first notice was issued to the Complainant on May 16, 2022 along with the several reminders on subsequent dates, however, authenticity of which has been disputed by the Complainant due to the non-receipt of notices issued by FESCO. Moreover, according to documents placed on record by FESCO, first notice was served on May 16, 2022 after excessive delay of approximately four (4) months from the cutoff date required for completion of electrification work of the society i.e. January 27, 2022. It is also an established fact that the issue of right of way was pertaining to location of pole(s) outside the society and there was no hindrance inside the society for execution of work where transformers were required to be installed. Therefore, FESCO should have completed the electrification work inside the society including installation of transformer(s) which is/are contributing major cost of additional demand notice. Moreover, FESCO has not raised any issue of non-availability of material, hence, the instant issue of right of way is only floated by FESCO to hinder the path of justice and cover the sheer negligence of concerned FESCO officials.

5. Foregoing in view, FESCO is directed to issue revised demand notice to the Complainant as per the rates applicable as on January 27, 2022 (the time period under which FESCO was obligated to energize the connection/electrification). Upon payment of difference of cost (if any) electrification work be completed without further delay after completion of all other codal formalities. Compliance report be submitted within thirty (30) days.

5۔ مندرجہ بالا حقائق کے پیش نظر فیسکو کو ہدایت کی جاتی ہے کہ شکایت کنندہ کو 27 جنوری 2022 (یہ وہ تاریخ ہے کہ تب تک فیسکو کمپنی بجلی مہیا کرنے کا کام مکمل کرنے کی پابند تھی) کو نافذ العمل سامان کے ریٹ کے مطابق نظر ثانی شدہ ڈیمانڈ نوٹس جاری کیا جائے۔ لاگت کا فرق (اگر کوئی ہو تو) کے عوض ادا کی گئی رقم کے فوراً بعد بجلی کی فراہمی کا کام بلا تاخیر مکمل کر کے تعمیل کی رپورٹ تیس (30) دن کے اندر پیش کی جائے۔

(Lashkar Khan Qambrani)  
Member Complaints Resolution Committee/  
Director (CAD)

(Moqeeem Ul Hassan)  
Member Complaints Resolution Committee  
/ Assistant Legal Advisor (CAD)

(Naweed Illahi Shaikh)  
Convener Complaints Resolution Committee/  
Director General (CAD)

Islamabad, July 04, 2024

